MULTIMEDIA UNIVERSITY

STUDENT IDENTIFICATION NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2018/2019

BBL2824 – BUSINESS LAW

09 MARCH 2019
9.00 A.M – 11.00 A.M
(2 Hours)

INSTRUCTIONS TO STUDENTS

1. This Question paper consists of 3 pages with 4 Questions only.

2. Answer **ALL** questions. All questions carry equal marks and the distribution of the marks for each question is given.

3. Please write all your answers in the Answer Booklet provided.

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QUESTION 1 (25 MARKS)

(a) Discuss executory, executed and past consideration and the differences in the law on past consideration in Malaysia and at Common Law.

(15 Marks)

(b) Isaac in Kuala Lumpur offers to sell 1000 tons of mangoes to Collin Firth at a certain price to be shipped on the vessel on 1 March and arriving at Dubai on 10 March. Collin Firth telephones from Dubai to Isaac to accept the offer. However, Isaac was not in the office at the said time. A tape recorded voice requests Collin Firth to leave any message. Collin Firth said, 'I accept your offer'. Isaac returns to the office and sends a fax to Collin Firth revoking his offer. Collin Firth receives the fax. Later Isaac played the tape and heard Collin Firth's words of acceptance. Discuss if there is a contract between Isaac and Collin Firth and if so, where was the contract made?

(10 Marks)

QUESTION 2 (25 MARKS)

(a) Section 27 of the Sales of Goods Act 1957 states that as a general rule, no one can transfer a better title than he himself possess. When a buyer buys goods from someone other than the owner of the goods, he will not obtain a good title, even though he had acted in good faith and without knowledge of the lack of title of the seller. However the Act provides for exceptions to this rule. Discuss these exceptions by referring to the relevant statutory provisions and decided cases.

(15 Marks)

(b) SINO is a manufacturer of television sets. SINO bought the electrical wiring used in the television sets from Ritter Wiring Company. SINO complained to Ritter Wiring that SINO was planning on releasing a new type of television which required a particular high quality wiring. Ritter Wiring assured SINO that it was able to produce the required quality. Subsequently, SINO took delivery of the wiring which unfortunately was not up to the required standard, although it could be used for other purposes. SINO wants to return the wiring, or alternatively to be paid compensation. Ritter Wiring claims that it is protected by a term in the signed contract which states: 'Ritter Wiring is not responsible for any breaches of warranty as to the quality of the goods delivered.' Advise SINO whether he can claim for his rights for breach of implied conditions under the Sale of Goods Act 1957.

(10 Marks)

Continued...

QUESTION 3 (25 MARKS)

(a) In the context of insurance law, a person entering into a contract of insurance is only required to disclose 'material facts'. Discuss what is meant by the term 'material facts' by referring to decided cases.

(13 Marks)

(b) Insurance contracts are uberrimae fidei (of the utmost good faith). Discuss the meaning of this legal principle by referring to decided cases.

(12 Marks)

QUESTION 4 (25 MARKS)

Discuss the corporate veil and the circumstances in which courts lift the veil of incorporation and consider the extent Malaysian courts are willing to apply justice as a criterion in lifting the veil of incorporation.

End of Paper